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Form **990-PF**

Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0052

2011

For calendar year 2011 or tax year beginning , and ending

Name of foundation: W. S. Wellons Foundation

A Employer identification number: 58-1537766

Number and street (or P O box number if mail is not delivered to street address): P.O. Box 766 — Room/suite:

B Telephone number (see instructions): 910-436-3131

City or town state, and ZIP code: Spring Lake NC 28390

C If exemption application is pending, check here ▶ ☐

G Check all that apply ☐ Initial return ☐ Initial return of a former public charity ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

D 1. Foreign organizations, check here ▶ ☐
2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

H Check type of organization ☒ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

I Fair market value of all assets at end of year (from Part II, col (c), line 16) ▶ $ 1,122,589

J Accounting method ☒ Cash ☐ Accrual ☐ Other (specify) (Part I, column (d) must be on cash basis)

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions))

	Line	Description	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1	Contributions, gifts, grants, etc , received (attach schedule)	550,000			
	2	Check ▶ ☐ if the foundation is **not** required to attach Sch B				
	3	Interest on savings and temporary cash investments	1	1		
	4	Dividends and interest from securities	13,516	13,516		
	5a	Gross rents	8,025	8,025		
	b	Net rental income or (loss) 283				
	6a	Net gain or (loss) from sale of assets not on line 10	53,784			
	b	Gross sales price for all assets on line 6a 503,555				
	7	Capital gain net income (from Part IV, line 2)		53,784		
	8	Net short-term capital gain			0	
	9	Income modifications				
	10a	Gross sales less returns & allowances				
	b	Less Cost of goods sold				
	c	Gross profit or (loss) (attach schedule)				
	11	Other income (attach schedule) Stmt 1	53			
	12	**Total.** Add lines 1 through 11	625,379	75,326	0	
Operating and Administrative Expenses	13	Compensation of officers, directors, trustees, etc	40,000			
	14	Other employee salaries and wages	45,000			
	15	Pension plans, employee benefits				
	16a	Legal fees (attach schedule)				
	b	Accounting fees (attach schedule) Stmt 2	5,973			
	c	Other professional fees (attach schedule) Stmt 3	7,542	7,542		
	17	Interest				
	18	Taxes (attach schedule) (see instructions) Stmt 4	11,035			
	19	Depreciation (attach schedule) and depletion Stmt 5	25			
	20	Occupancy	629	629		
	21	Travel, conferences, and meetings				
	22	Printing and publications				
	23	Other expenses (att sch) Stmt 6	4,996	4,705		
	24	**Total operating and administrative expenses.** Add lines 13 through 23	115,200	12,876	0	0
	25	Contributions, gifts, grants paid See Statement 7	614,950			614,950
	26	**Total expenses and disbursements.** Add lines 24 and 25	730,150	12,876	0	614,950
	27	Subtract line 26 from line 12				
	a	**Excess of revenue over expenses and disbursements**	-104,771			
	b	**Net investment income** (if negative, enter -0-)		62,450		
	c	**Adjusted net income** (if negative, enter -0-)			0	

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Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)

	Line	Description	Amount	Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1	Cash—non-interest-bearing				
	2	Savings and temporary cash investments		3,668	6,054	6,054
	3	Accounts receivable ▶	4,450			
		Less allowance for doubtful accounts ▶		4,450	4,450	4,450
	4	Pledges receivable ▶				
		Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (att schedule) ▶				
		Less allowance for doubtful accounts ▶	0			
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10a	Investments—U S and state government obligations (attach schedule)				
	b	Investments—corporate stock (attach schedule) See Stmt 8		823,458	727,450	621,551
	c	Investments—corporate bonds (attach schedule)				
	11	Investments—land, buildings, and equipment basis ▶	466,190			
		Less accumulated depreciation (attach sch) ▶ Stmt 9		477,505	466,190	466,190
	12	Investments—mortgage loans				
	13	Investments—other (attach schedule)				
	14	Land, buildings, and equipment basis ▶	24,344			
		Less accumulated depreciation (attach sch) ▶ Stmt 10	24,344	25		24,344
	15	Other assets (describe ▶)				
	16	**Total assets** (to be completed by all filers—see the instructions Also, see page 1, item I)		1,309,106	1,204,144	1,122,589
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶ See Statement 11)		12,500	12,500	
	23	**Total liabilities** (add lines 17 through 22)		12,500	12,500	
Net Assets or Fund Balances		**Foundations that follow SFAS 117, check here ▶ [X] and complete lines 24 through 26 and lines 30 and 31.**				
	24	Unrestricted		1,296,606	1,191,644	
	25	Temporarily restricted				
	26	Permanently restricted				
		Foundations that do not follow SFAS 117, check here ▶ [ ] and complete lines 27 through 31.				
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg , and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	**Total net assets or fund balances** (see instructions)		1,296,606	1,191,644	
	31	**Total liabilities and net assets/fund balances** (see instructions)		1,309,106	1,204,144	

Part III Analysis of Changes in Net Assets or Fund Balances

	Description	Line	Amount
1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,296,606
2	Enter amount from Part I, line 27a	2	-104,771
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	1,191,835
5	Decreases not included in line 2 (itemize) ▶ See Statement 12	5	191
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	1,191,644

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Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
1a	See Worksheet			
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a				
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
a				
b				
c				
d				
e				

2	Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	53,784
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8	3	12,288

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☒ No

If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))
2010	55,600	1,325,085	0.041960
2009	75,039	1,291,661	0.058095
2008	76,061	1,623,891	0.046839
2007	113,682	2,044,611	0.055601
2006	79,510	2,119,210	0.037519

2	Total of line 1, column (d)	2	0.240014
3	Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	0.048003
4	Enter the net value of noncharitable-use assets for 2011 from Part X, line 5	4	1,163,352
5	Multiply line 4 by line 3	5	55,844
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	625
7	Add lines 5 and 6	7	56,469
8	Enter qualifying distributions from Part XII, line 4	8	614,950

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions

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Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1 Date of ruling or determination letter (attach copy of letter if necessary—see instructions)		
b	Domestic foundations that meet the section 4940(e) requirements in Part V, check here ▶ ☒ and enter 1% of Part I, line 27b	1	625
c	All other domestic foundations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	2	0
3	Add lines 1 and 2	3	625
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4	0
5	**Tax based on investment income.** Subtract line 4 from line 3 If zero or less, enter -0-	5	625
6	Credits/Payments		
a	2011 estimated tax payments and 2010 overpayment credited to 2011 — 6a		
b	Exempt foreign organizations—tax withheld at source — 6b		
c	Tax paid with application for extension of time to file (Form 8868) — 6c		
d	Backup withholding erroneously withheld — 6d		
7	Total credits and payments Add lines 6a through 6d	7	
8	Enter any **penalty** for underpayment of estimated tax Check here ☒ if Form 2220 is attached	8	6
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	631
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10	
11	Enter the amount of line 10 to be **Credited to 2012 estimated tax** ▶ **Refunded** ▶	11	

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the foundation attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		X
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		X
	If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the foundation in connection with the activities			
c	Did the foundation file **Form 1120-POL** for this year?	1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year **(1)** On the foundation ▶ $ ______ **(2)** On foundation managers ▶ $ ______			
e	Enter the reimbursement (if any) paid by the foundation during the year for political expenditure tax imposed on foundation managers ▶ $ ______			
2	Has the foundation engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities	2		X
3	Has the foundation made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	3		X
4a	Did the foundation have unrelated business gross income of $1,000 or more during the year?	4a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T	5		X
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either • By language in the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	X	
7	Did the foundation have at least $5,000 in assets at any time during the year? If "Yes," complete Part II, col (c), and Part XV	7	X	
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ NC			
b	If the answer is "Yes" to line 7, has the foundation furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	8b	X	
9	Is the foundation claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2011 or the taxable year beginning in 2011 (see instructions for Part XIV)? If "Yes," complete Part XIV	9		X
10	Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses	10		X

Part VII-A Statements Regarding Activities (continued)

			Yes	No
11	At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions)	11		X
12	Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions)	12		X
13	Did the foundation comply with the public inspection requirements for its annual returns and exemption application?	13	X	

Website address ▶ NONE

14 The books are in care of ▶ W. S. Wellons Telephone no ▶
P.O. Box 766
Located at ▶ Spring Lake NC ZIP+4 ▶ 28390

15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ 15

			Yes	No
16	At any time during calendar year 2011, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country?	16		X
	See the instructions for exceptions and filing requirements for Form TD F 90-22 1 If "Yes," enter the name of the foreign country ▶			

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

				Yes	No
1a	During the year did the foundation (either directly or indirectly)				
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person?	☐ Yes ☒ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?	☐ Yes ☒ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?	☐ Yes ☒ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?	☐ Yes ☒ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?	☐ Yes ☒ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days)	☐ Yes ☒ No			
b	If any answer is "Yes" to 1a(1)-(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53 4941(d)-3 or in a current notice regarding disaster assistance (see instructions)?	N/A	1b		
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐			
c	Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2011?	N/A	1c		
2	Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))				
a	At the end of tax year 2011, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2011?	☐ Yes ☒ No			
	If "Yes," list the years ▶ 20 , 20 , 20 , 20				
b	Are there any years listed in 2a for which the foundation is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see instructions)	N/A	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here ▶ 20 , 20 , 20 , 20				
3a	Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?	☐ Yes ☒ No			
b	If "Yes," did it have excess business holdings in 2011 as a result of **(1)** any purchase by the foundation or disqualified persons after May 26, 1969, **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2011)	N/A	3b		
4a	Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes?		4a		X
b	Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2011?		4b		X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a	During the year did the foundation pay or incur any amount to			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?	☐ Yes ☒ No		
	(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive?	☐ Yes ☒ No		
	(3) Provide a grant to an individual for travel, study, or other similar purposes?	☐ Yes ☒ No		
	(4) Provide a grant to an organization other than a charitable, etc , organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions)	☐ Yes ☒ No		
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?	☐ Yes ☒ No		
b	If any answer is "Yes" to 5a(1)–(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53 4945 or in a current notice regarding disaster assistance (see instructions)?	N/A	5b	
	Organizations relying on a current notice regarding disaster assistance check here	▶ ☐		
c	If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant?	N/A ☐ Yes ☐ No		
	If "Yes," attach the statement required by Regulations section 53 4945-5(d)			
6a	Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	☐ Yes ☒ No		
b	Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		6b	X
	If "Yes" to 6b, file Form 8870			
7a	At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction?	☐ Yes ☒ No		
b	If Yes, did the foundation receive any proceeds or have any net income attributable to the transaction?	N/A	7b	

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address		(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
W. S. Wellons, Jr. P O Box 766	Spring Lake NC 28390	Chairman 22.00	40,000	0	0

2 Compensation of five highest-paid employees (other than those included on line 1—see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 ▶ 0

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶		

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See instructions 3	
Total. Add lines 1 through 3 ▶	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc , purposes			
a	Average monthly fair market value of securities		1a	672,966
b	Average of monthly cash balances		1b	7,460
c	Fair market value of all other assets (see instructions)		1c	500,642
d	**Total** (add lines 1a, b, and c)		1d	1,181,068
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e 0		
2	Acquisition indebtedness applicable to line 1 assets		2	0
3	Subtract line 2 from line 1d		3	1,181,068
4	Cash deemed held for charitable activities Enter 1½% of line 3 (for greater amount, see instructions)		4	17,716
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3 Enter here and on Part V, line 4		5	1,163,352
6	**Minimum investment return.** Enter 5% of line 5		6	58,168

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part)

1	Minimum investment return from Part X, line 6		1	58,168
2a	Tax on investment income for 2011 from Part VI, line 5	2a 625		
b	Income tax for 2011 (This does not include the tax from Part VI)	2b		
c	Add lines 2a and 2b		2c	625
3	Distributable amount before adjustments Subtract line 2c from line 1		3	57,543
4	Recoveries of amounts treated as qualifying distributions		4	
5	Add lines 3 and 4		5	57,543
6	Deduction from distributable amount (see instructions)		6	
7	**Distributable amount** as adjusted Subtract line 6 from line 5 Enter here and on Part XIII, line 1		7	57,543

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc , purposes		
a	Expenses, contributions, gifts, etc —total from Part I, column (d), line 26	1a	614,950
b	Program-related investments—total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc , purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	**Qualifying distributions.** Add lines 1a through 3b Enter here and on Part V, line 8, and Part XIII, line 4	4	614,950
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income Enter 1% of Part I, line 27b (see instructions)	5	625
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	614,325

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years

Part XIII Undistributed Income (see instructions)

		(a) Corpus	(b) Years prior to 2010	(c) 2010	(d) 2011
1 Distributable amount for 2011 from Part XI, line 7					57,543
2 Undistributed income, if any, as of the end of 2011					
a Enter amount for 2010 only					
b Total for prior years 20____ , 20____ , 20____					
3 Excess distributions carryover, if any, to 2011					
a From 2006					
b From 2007					
c From 2008					
d From 2009	8,357				
e From 2010					
f **Total** of lines 3a through e		8,357			
4 Qualifying distributions for 2011 from Part XII, line 4 ▶ $ 614,950					
a Applied to 2010, but not more than line 2a					
b Applied to undistributed income of prior years (Election required—see instructions)					
c Treated as distributions out of corpus (Election required—see instructions)					
d Applied to 2011 distributable amount					57,543
e Remaining amount distributed out of corpus		557,407			
5 Excess distributions carryover applied to 2011 (If an amount appears in column (d), the same amount must be shown in column (a))					
6 **Enter the net total of each column as indicated below:**					
a Corpus Add lines 3f, 4c, and 4e Subtract line 5		565,764			
b Prior years' undistributed income Subtract line 4b from line 2b					
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed					
d Subtract line 6c from line 6b Taxable amount—see instructions					
e Undistributed income for 2010 Subtract line 4a from line 2a Taxable amount—see instructions					
f Undistributed income for 2011 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2012					0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)					
8 Excess distributions carryover from 2006 not applied on line 5 or line 7 (see instructions)					
9 **Excess distributions carryover to 2012.** Subtract lines 7 and 8 from line 6a		565,764			
10 Analysis of line 9					
a Excess from 2007					
b Excess from 2008					
c Excess from 2009	8,357				
d Excess from 2010					
e Excess from 2011	557,407				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2011, enter the date of the ruling ▶

b Check box to indicate whether the foundation is a private operating foundation described in section ☐ 4942(j)(3) or ☐ 4942(j)(5)

	Tax year	Prior 3 years			
	(a) 2011	(b) 2010	(c) 2009	(d) 2008	(e) Total
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon a "Assets" alternative test—enter (1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test—enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter (1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the foundation had $5,000 or more in assets at any time during the year—see instructions.)

1 **Information Regarding Foundation Managers:**

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than $5,000) (See section 507(d)(2))

William S. Wellons $150,000

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest

N/A

2 **Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**

Check here ▶ ☐ if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number of the person to whom applications should be addressed

William S. Wellons
P.O. Box 766 Spring Lake NC 28390

b The form in which applications should be submitted and information and materials they should include

Contact Individual in 2a for details

c Any submission deadlines

None

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

None

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year See Statement 13				614,950
Total			▶ 3a	614,950
b Approved for future payment N/A				
Total			▶ 3b	

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See instructions)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments			14	1	
4 Dividends and interest from securities			14	13,516	
5 Net rental income or (loss) from real estate					
a Debt-financed property					
b Not debt-financed property			16	283	
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			14	53,784	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue a					
b Smith Barney - Other Income			14	53	
c					
d					
e					
12 Subtotal Add columns (b), (d), and (e)		0		67,637	0

13 **Total.** Add line 12, columns (b), (d), and (e) 13 67,637

(See worksheet in line 13 instructions to verify calculations)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes) (See instructions)
N/A	

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting foundation to a noncharitable exempt organization of			
	(1) Cash	1a(1)		X
	(2) Other assets	1a(2)		X
b	Other transactions			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		X
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		X
	(3) Rental of facilities, equipment, or other assets	1b(3)		X
	(4) Reimbursement arrangements	1b(4)		X
	(5) Loans or loan guarantees	1b(5)		X
	(6) Performance of services or membership or fundraising solicitations	1b(6)		X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting foundation If the foundation received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements
N/A			

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☒ No

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship
N/A		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge

May the IRS discuss this return with the preparer shown below (see instructions)? ☐ Yes ☐ No

X William P Wellons | X 5-9-12 | X CHAIRMAN

Signature of officer or trustee | Date | Title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed
WILLIAM TEMPLE ALLEN, CPA	William Temple Allen, CPA, PA	05/10/12	
Firm's name ▶ William Temple Allen, CPA, P.A.		PTIN	P01071846
Firm's address ▶ 3620 Cape Center Drive Fayetteville, NC 28304		Firm's EIN ▶ 56-1833865	Phone no 910-323-0191

DAA

Schedule B
(Form 990, 990-EZ, or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.

OMB No 1545-0047

2011

Name of the organization	Employer identification number
W. S. Wellons Foundation	58-1537766

Organization type (check one)

Filers of:	**Section:**
Form 990 or 990-EZ	☐ 501(c)( ) (enter number) organization
	☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
	☐ 527 political organization
Form 990-PF	☒ 501(c)(3) exempt private foundation
	☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation
	☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule.**
Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule See instructions

General Rule

☒ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, $5,000 or more (in money or property) from any one contributor Complete Parts I and II

Special Rules

☐ For a section 501(c)(3) organization filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of **(1)** $5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1 Complete Parts I and II

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than $1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals Complete Parts I, II, and III

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions for use exclusively for religious, charitable, etc , purposes, but these contributions did not total to more than $1,000 If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc , purpose Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc , contributions of $5,000 or more during the year ▶ $

Caution. An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990, or check the box on line H of its Form 990-EZ or on Part I, line 2, of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF)

Name of organization: W. S. Wellons Foundation

Employer identification number: 58-1537766

Part I **Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	W. S. Wellons, Jr P O Box 766 Spring Lake NC 28390	$ 150,000	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
2	Charles R. Wellons P O Box 766 Spring Lake NC 28390	$ 150,000	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
3	Cooper Wellons P O Box 766 Spring Lake NC 28390	$ 250,000	Person ☐ Payroll ☐ Noncash ☒ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)
		$	Person ☐ Payroll ☐ Noncash ☐ (Complete Part II if there is a noncash contribution)

Name of organization	Employer identification number
W. S. Wellons Foundation	58-1537766

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
1	Note Assigned - FCW Estate	$ 150,000	12/30/11
2	Note Assigned - FCW Estate	$ 150,000	12/30/11
3	Note Assigned - FCW Estate	$ 250,000	12/30/11
		$	
		$	
		$	

Form 990-PF	Capital Gains and Losses for Tax on Investment Income For calendar year 2011, or tax year beginning , and ending	2011

Name	Employer Identification Number
W. S. Wellons Foundation	58-1537766

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Weatherford International	P	03/03/11	04/01/11
(2)	Abbott Laboratories	P	04/15/11	11/17/11
(3)	Allergan Inc	P	02/11/11	07/27/11
(4)	Dow Chemical Co	P	10/05/11	10/13/11
(5)	Green Mountain Coffee	P	11/15/11	11/16/11
(6)	Eli Lilly & Co	P	04/15/11	10/05/11
(7)	JC Penny Co	P	10/18/11	11/15/11
(8)	Weyerhaeuser Co	P	08/03/10	07/14/11
(9)	Xerox Corp	P	09/16/10	07/14/11
(10)	Yamana Gold Inc	P	02/03/11	03/09/11
(11)	Alcoa Inc	P	09/14/07	07/27/11
(12)	Cisco Sys Inc	P	10/25/01	02/11/11
(13)	Columbia Seligman	P	Various	12/14/11
(14)	Delaware US Growth	P	02/13/06	06/27/11
(15)	Fidelity Advisor New Insights	P	04/05/06	08/23/11

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	4,412		3,990	422
(2)	21,248		20,647	601
(3)	16,132		14,797	1,335
(4)	23,887		21,553	2,334
(5)	5,092		4,525	567
(6)	7,749		7,560	189
(7)	3,235		3,140	95
(8)	21,532		17,077	4,455
(9)	10,071		9,978	93
(10)	12,892		11,868	1,024
(11)	7,471		17,765	-10,294
(12)	18,792		17,460	1,332
(13)	18,000		17,007	993
(14)	24,382		22,937	1,445
(15)	4,000		3,910	90

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	
(1)				422
(2)				601
(3)				1,335
(4)				2,334
(5)				567
(6)				189
(7)				95
(8)				4,455
(9)				93
(10)				1,024
(11)				-10,294
(12)				1,332
(13)				993
(14)				1,445
(15)				90

Capital Gains and Losses for Tax on Investment Income

Form **990-PF** | **2011**

For calendar year 2011, or tax year beginning , and ending

Name	Employer Identification Number
W. S. Wellons Foundation	58-1537766

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Fidelity Advisor New Insights	P	04/05/06	08/25/11
(2)	Janus Capital Group Inc	P	10/14/09	07/14/11
(3)	Eli Lilly & Co	P	11/23/09	10/05/11
(4)	JC Penny Co	P	10/08/09	03/09/11
(5)	Red Hat Inc	P	05/14/08	11/17/11
(6)	Red Hat Inc	P	05/14/08	12/14/11
(7)	Southern Co	P	04/21/10	08/14/11
(8)	Starbucks Corp	P	04/24/08	03/10/11
(9)	Teco Energy Inc	P	05/12/10	10/18/11
(10)	Abbott Laboratories	P	10/17/11	12/14/11
(11)	Aflac Inc	P	Various	08/24/11
(12)	Altria Group	P	10/17/11	12/14/11
(13)	American Wtr Wks Co	P	10/17/11	12/14/11
(14)	AT&T Inc	P	10/17/11	12/14/11
(15)	Bank of America Corp	P	Various	05/17/11

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	9,000		8,873	127
(2)	8,993		15,046	-6,053
(3)	14,392		14,355	37
(4)	18,125		17,374	751
(5)	4,951		2,221	2,730
(6)	31,997		15,544	16,453
(7)	18,114		14,967	3,147
(8)	18,556		8,034	10,522
(9)	17,652		16,319	1,333
(10)	1,612		1,574	38
(11)	3,223		3,172	51
(12)	1,706		1,657	49
(13)	1,660		1,670	-10
(14)	1,570		1,607	-37
(15)	3,422		4,812	-1,390

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				127
(2)				-6,053
(3)				37
(4)				751
(5)				2,730
(6)				16,453
(7)				3,147
(8)				10,522
(9)				1,333
(10)				38
(11)				51
(12)				49
(13)				-10
(14)				-37
(15)				-1,390

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2011

For calendar year 2011, or tax year beginning , and ending

Name: W. S. Wellons Foundation

Employer Identification Number: 58-1537766

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Becton Dickinson Co	P	10/17/11	12/14/11
(2)	Bristol Myers Squibb	P	10/17/11	12/14/11
(3)	Chevron Corp	P	Various	12/14/11
(4)	Chubb Corp	P	10/17/11	12/14/11
(5)	Cisco Sys	P	Various	03/11/11
(6)	Clorox Co	P	10/17/11	12/14/11
(7)	Devon Energy Corp	P	08/26/10	08/24/11
(8)	Diageo Adr	P	10/17/11	12/14/11
(9)	Duke Energy Corp	P	10/17/11	12/14/11
(10)	Exxon Mobil Corp	P	10/17/11	12/14/11
(11)	Fidelity Small Cap	P	07/19/10	Various
(12)	Flowserve Corp	P	Various	12/14/11
(13)	Fluor Corp	P	12/28/09	12/14/11
(14)	Harbor International	P	07/19/10	Various
(15)	Home Depot Inc	P	03/13/09	12/14/11

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	1,418		1,466	-48
(2)	1,670		1,631	39
(3)	3,520		2,128	1,392
(4)	1,666		1,551	115
(5)	2,651		2,367	284
(6)	1,610		1,689	-79
(7)	3,527		3,316	211
(8)	1,669		1,602	67
(9)	1,651		1,617	34
(10)	1,563		1,558	5
(11)	17,850		17,754	96
(12)	1,427		890	537
(13)	1,924		1,841	83
(14)	22,062		21,357	705
(15)	2,334		1,235	1,099

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				-48
(2)				39
(3)				1,392
(4)				115
(5)				284
(6)				-79
(7)				211
(8)				67
(9)				34
(10)				5
(11)				96
(12)				537
(13)				83
(14)				705
(15)				1,099

Form 990-PF	Capital Gains and Losses for Tax on Investment Income For calendar year 2011, or tax year beginning , and ending	2011

Name	Employer Identification Number
W. S. Wellons Foundation	58-1537766

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Honeywell Intl Inc	P	Various	12/14/11
(2)	Intel Corp	P	Various	12/14/11
(3)	Intl Business Mach	P	10/17/11	12/14/11
(4)	iShares Tr MSCI	P	Various	Various
(5)	Johnson & Johnson	P	Various	12/14/11
(6)	JPMorgan Chase	P	02/12/10	12/14/11
(7)	Kimberly Clark Corp	P	10/21/11	12/14/11
(8)	Kinder Morgan Energy	P	10/17/11	12/14/11
(9)	McDonalds Corp	P	10/17/11	12/14/11
(10)	Microsoft Corp	P	10/17/11	12/14/11
(11)	Nucor Corp	P	10/16/09	12/14/11
(12)	Oracle Corp	P	10/17/11	12/14/11
(13)	Pepsico Inc	P	Various	12/14/11
(14)	Perkins Mid Cap Value	P	08/26/10	08/25/11
(15)	Perkins Mid Cap Value	P	08/26/10	09/29/11

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	2,318		1,824	494
(2)	2,549		151	2,398
(3)	1,869		1,872	-3
(4)	9,121		8,600	521
(5)	2,196		1,845	351
(6)	1,563		1,959	-396
(7)	1,743		1,824	-81
(8)	1,556		1,494	62
(9)	1,930		1,785	145
(10)	1,522		1,622	-100
(11)	1,541		1,811	-270
(12)	1,491		1,557	-66
(13)	2,229		956	1,273
(14)	11,000		10,135	865
(15)	6,800		6,360	440

	Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			
	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				494
(2)				2,398
(3)				-3
(4)				521
(5)				351
(6)				-396
(7)				-81
(8)				62
(9)				145
(10)				-100
(11)				-270
(12)				-66
(13)				1,273
(14)				865
(15)				440

Form **990-PF**

Capital Gains and Losses for Tax on Investment Income

2011

For calendar year 2011, or tax year beginning , and ending

Name	Employer Identification Number
W. S. Wellons Foundation	58-1537766

	(a) List and describe the kind(s) of property sold, e g , real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo , day, yr)	(d) Date sold (mo , day, yr)
(1)	Proctor & Gamble Co	P	10/17/11	12/14/11
(2)	Schlumberger Limited	P	Various	12/14/11
(3)	Target Corp	P	10/17/11	12/14/11
(4)	Tortoise Energy Infra	P	10/17/11	12/14/11
(5)	Verizon Comm	P	10/17/11	12/14/11
(6)	3M Company	P	04/14/10	12/14/11
(7)	Donated Lot - #2 Falcon, NC	P	06/30/02	01/07/11
(8)	Capital Gain Distributions			
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
(1)	1,594		1,616	-22
(2)	1,668		1,401	267
(3)	1,560		1,599	-39
(4)	1,710		1,711	-1
(5)	1,700		1,671	29
(6)	2,347		2,537	-190
(7)	20,000		12,000	8,000
(8)	3,138			3,138
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))
(1)				-22
(2)				267
(3)				-39
(4)				-1
(5)				29
(6)				-190
(7)				8,000
(8)				3,138
(9)				
(10)				
(11)				
(12)				
(13)				
(14)				
(15)				

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? [X] Yes [ ] No 24b If "Yes," is the evidence written? [X] Yes [ ] No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) 25								
26 Property used more than 50% in a qualified business use								
05 Chrysler	12/31/05	100.00%	24,344	24,344	5.0	200DBMQ		
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1 28								
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1 29								

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2011 tax year (see instructions)					
43 Amortization of costs that began before your 2011 tax year				43	
44 **Total.** Add amounts in column (f) See the instructions for where to report				44	

Federal Statements

Statement 1 - Form 990-PF, Part I, Line 11 - Other Income

Description	Revenue per Books	Net Investment Income	Adjusted Net Income
Smith Barney - Other Income	$ 53	$	$
Total	$ 53	$ 0	$ 0

Statement 2 - Form 990-PF, Part I, Line 16b - Accounting Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
LEGAL AND PROFESSIONAL	$ 5,973	$	$	$
Total	$ 5,973	$ 0	$ 0	$ 0

Statement 3 - Form 990-PF, Part I, Line 16c - Other Professional Fees

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
COMMISSIONS	$ 5,134	$ 5,134	$	$
Jonathan Harbour #105	2,408	2,408		
Total	$ 7,542	$ 7,542	$ 0	$ 0

Statement 4 - Form 990-PF, Part I, Line 18 - Taxes

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
PAYROLL TAXES	$ 4,803	$	$	$
REAL ESTATE TAXES	6,014			
FOREIGN TAXES	218			
Total	$ 11,035	$ 0	$ 0	$ 0

Federal Statements

Statement 5 - Form 990-PF, Part I, Line 19 - Depreciation

Description							
Date Acquired	Cost Basis	Prior Year Depreciation	Method	Life	Current Year Depreciation	Net Investment Income	Adjusted Net Income
05 Chrysler							
12/31/05	$ 24,344	$ 24,319	200DB	5	$ 25	$	$
Total	$ 24,344	$ 24,319			$ 25	$ 0	$ 0

Statement 6 - Form 990-PF, Part I, Line 23 - Other Expenses

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
	$	$	$	$
Jonathan Harbour #105				
HOA FEES	4,295	4,295		
PROPERTY FEES	410	410		
Expenses				
BANK CHARGES				
MISCELLANEOUS EXPENSES	291			
GIFTS - CAPE FEAR YOUTH DAY				
Total	$ 4,996	$ 4,705	$ 0	$ 0

Statement 7 - Form 990-PF, Part I, Line 25 - Noncash Contributions, Gifts, Grants

Amount	Noncash Description	FMV Explanation	Book Value Amount	Book Value Explanation	Date
150,000	Note Assigned	Cash Value			
150,000	Note Assigned	Cash Value			
250,000	Note Assigned	Cash Value			

Federal Statements

Statement 8 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments

Description	Beginning of Year	End of Year	Basis of Valuation	Fair Market Value
CSEC-EASTOVER CAPITAL -STOCKS	$ 124,554	$ 59,592	Cost	$ 66,451
CSEC - EASTOVER CAPITAL - CASH	4,183	5,175	Cost	5,175
CSEC - NEW CENTURY BANK	52,000		Cost	
CSEC -SMITH BARNEY-STOCKS	534,820	597,420	Cost	497,616
CSEC - SMITH BARNEY-CASH	45,306	1,378	Cost	1,378
CSEC - BBT BANK	62,595	63,885	Cost	50,931
Total	$ 823,458	$ 727,450		$ 621,551

Statement 9 - Form 990-PF, Part II, Line 11 - Land, Building, and Equipment Investments

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
REAL ESTATE	$ 477,505	$ 466,190	$	$ 466,190
Total	$ 477,505	$ 466,190	$ 0	$ 466,190

Statement 10 - Form 990-PF, Part II, Line 14 - Land, Building, and Equipment

Description	Beginning Net Book	End Cost / Basis	End Accumulated Depreciation	Net FMV
FURNITURE AND FIXTURES	$ 25	$ 24,344	$ 24,344	$ 24,344
Total	$ 25	$ 24,344	$ 24,344	$ 24,344

Federal Statements

Statement 11 - Form 990-PF, Part II, Line 22 - Other Liabilities

Description	Beginning of Year	End of Year
Real Estate Deposits	$ 12,500	$ 12,500
Total	$ 12,500	$ 12,500

Statement 12 - Form 990-PF, Part III, Line 5 - Other Decreases

Description	Amount
IRS PAYMENT	$ 188
Rounding	3
Total	$ 191

Federal Statements

Form 990-PF, Part XV, Line 1a - Managers Who Contributed Over 2% or $5,000

Name of Manager	Amount
William S. Wellons	$ 150,000
Total	$ 150,000

Form 990-PF, Part XV, Line 2b - Application Format and Required Contents

Description
Contact Individual in 2a for details

Form 990-PF, Part XV, Line 2c - Submission Deadlines

Description
None

Form 990-PF, Part XV, Line 2d - Award Restrictions or Limitations

Description
None

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year

Name / Address	Relationship	Address / Status	Purpose	Amount
Community Concerts Fayetteville NC 28306	None	1960 Coliseum Drive 501(C) (3)	Charitable	2,500
Emmanuel College Franklin Springs GA 30639	None	181 Springs Street School	Religious	1,000
Fishers of Men Myrtle Beach SC 29579	None	P O Box 50425 501 (C) (3)	Charitable	10,000
Northwood Temple Fayetteville NC 28311	None	4250 Ramsey Street 501 (C) (3)	Charitable	10,200
Unknown Angel Fayetteville NC 28390	None	P O Box 766 501 (c) (3)	Charitable	10,000
Christian Life Ministries Fayetteville NC 28390	None	P O Box 766 501 (C) (3)	Charitable	10,000
Falcon Childrens Home Falcon NC 28342	None	Fayetteville Road School	Charitable	5,000
Methodist College Fayetteville NC 28311	None	5400 Ramsey Street 501 (C) (3)	Charitable	1,000
L L Allan Legacy Fund Fayetteville NC 28302	None	P O Box 9 501 (C) (3)	Charitable	2,500
NC Conference of PH Church Falcon NC 28342	None	P O Box 59 501 (c) (3)	Religious	10,000
Cape Fear Botanical Gardens Fayetteville NC 28305	None	P O Box 53485 501 (c) (3)	Charitable	1,250
Boy Scouts of America Raleigh NC 27629	None	P O Box 41229 501 (c) (3)	Charitable	1,500
Unknown Angel Fayetteville NC 28390	None	P O Box 766 501 (c) (3)	Charitable	150,000
Christian Life Ministries Fayetteville NC 28390	None	P O Box 766 501 (C) (3)	Charitable	150,000
Fishers of Men Myrtle Beach SC 29579	None	P O Box 50425 501 (C) (3)	Charitable	250,000

Federal Statements

Statement 13 - Form 990-PF, Part XV, Line 3a - Grants and Contributions Paid During the Year (continued)

Name / Address	Address / Relationship	Status	Purpose	Amount
Total				614,950